

## **W-2 CONTRACT EXHIBIT A**

### **RFP Appendix 9.14: Access to Additional Funding for Benefits**

#### **INTRODUCTION**

The W-2 program provides a broad array of employment and training services to help eligible Wisconsin residents obtain and maintain viable, self-sustaining employment. To meet this objective, W-2 agencies manage multiple employment support programs, such as Food Stamps, Medicaid/BadgerCare and Child Care, for eligible working families. Families temporarily incapable of self-sufficiency through unsubsidized employment may be placed in W-2 payment positions while overcoming barriers to independent employment.

Providing supportive services to an ever-increasing number of families who are above the eligibility levels for cash benefits is a positive outcome for W-2 agencies and is supported by the performance bonus criteria built into the W-2 contract.

Increases in W-2 cash benefit caseloads due to economic downturn or a crisis beyond the control of the W-2 agency may be addressed by disbursements from the Department or from the W-2 Contingency Fund, which is subject to approval by the Legislative Joint Committee on Finance. This document describes the criteria and process under which additional funding for benefits may be requested.

A request for additional funds for benefits is a last resort source of funding. The Department expects agencies will use all other unallocated TANF resources at the disposal of the W-2 agency via contract with the Department and make an effort to maximize the use of resources of agencies and local partners.

#### **CRITERIA FOR ACCESS**

**Agencies must meet all of the following criteria:**

1. A. Agency cash benefit caseload has increased due to crisis beyond the control of the agency such as a natural disaster, a terrorist attack, or when a plant closes and triggers a Dislocated Worker Rapid Response.

**or**

- B. Agency W-2 cash benefit caseload has increased due to an economic downturn. An economic downturn is defined as a 20% increase in the number of unemployed in each county, relative to July 2001\*, based upon Local Area Unemployment Statistics data (not seasonally adjusted data regardless of Metropolitan Statistical Area, or MSA).  
\* Final 2002-03 W-2 contract allocations were based on caseload data through July 2001.

2. Prior to the end of the contract, the agency projects it will exhaust:

One hundred and twenty percent (120%) of the Department's contract allocation to the agency for benefits; and will have expended the services/administration

budget to the extent where further expenditures would result in an insufficient budget to meet the Department's mandated performance standards

3. The amount and type of agency expenditures to-date under the Contract appear reasonable to the State, based on available information.

### **PROCESS**

1. Submit requests through the DWS Regional Offices/Department's Contract Managers, include the following:

#### **A. AGENCY JUSTIFICATION and AGENCY PROACTIVE/REACTIVE ACTIONS**

- 1). The Department and the requesting agency will review the previously approved Community Reinvestment plan (if the W-2 agency has Community Reinvestment funding) and mutually determine whether the plan is still appropriate in view of the changed circumstances. If the Community Reinvestment plan is not appropriate given the circumstances, the Department and the W-2 agency then must agree on an amended Community Reinvestment plan as a full or partial alternative to an application for additional funds for benefits. 2.) Based on a minimum of the first nine months of benefit expenditures, the Agency may submit a request for additional benefit funds 30 days after the end of each quarter, in accordance with the criteria above.

Or

- 1) Requests will be considered any time after the first nine months of the contract.
- 2) Requests will be submitted to the Department of Workforce Development (DWD) Area Administrator. Within 30 days the Department will notify the agency whether the request will be submitted to Joint Finance, whether other alternative funding within the discretion of the Department is available, or whether the request is denied.
- 3) Within 30 days of approval of additional benefit funding, the Department will issue a contract addendum to the requesting agencies increasing the benefits allocation. This allocation will be restricted to cash benefits and can be accessed immediately upon exhaustion of the original benefit allocation. Any under-spending of the addendum amount will be returned to the Department.

